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ALEXANDER L. STEVAS,
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1984

ESTATE OF VIRGINIA KREMM,

Petitioner,

v.

COMMISSIONER OF PATENTS AND TRADEMARKS,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

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December 17, 1984

CHAS. P. YOUNG CHICAGO, INC.

55pp

QUESTION PRESENTED FOR REVIEW

ARE A PATENT OWNER'S PROPERTY RIGHTS IN A PRESUMPTIVELY VALID PATENT TAKEN WITHOUT DUE PROCESS OF LAW WHERE AN ALLEGED INFRINGER IN A FEDERAL COURT ACTION AVOIDS PROVING INVALIDITY BY CLEAR AND CONVINCING EVIDENCE BY CAUSING THE PATENT TO BE RETURNED TO THE U.S. PATENT AND TRADEMARK OFFICE, WITHOUT CONSENT OF THE PATENT OWNER, FOR REEXAMINATION IN ORDER TO OBTAIN AN INVALIDITY RULING UNDER A LESSER STANDARD OF PROOF?

PARTIES INVOLVED

Pursuant to Supreme Court Rule 21, the parties involved in the proceedings before the United States Court of Appeals for the Federal Circuit was and are the following:

Estate of Virginia Kremm, an individual, Plaintiff Patent Owner below and Petitioner herein.

Commissioner of Patents and Trademarks; Department of Commerce-United States Patent and Trademark Office.

Thatcher Glass Manufacturing Co., a New York corporation, Defendants and Requester of Reexamination No. 90/000,038 below.

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IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM 1984

No.

In re the Successor in

Interest of WALTER ANDERSEN

(Owner of the Patent No. 3,171,729

PETITION FOR WRIT OF
CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE FEDERAL CIRCUIT

OPINIONS BELOW

The opinion of the Federal Circuit Court of Appeals is reported at 743 F.2d 1578 (Fed. Cir 1984) and is provided in the Appendix of this Petition. The opinion of United States Patent and Trademark Office

Board of Appeals is unreported and therefore is also provided in the Appendix.

STATEMENT OF JURISDICTION

A Writ of Certiorari is sought to review the decision of the United States Court of Appeals for the Federal Circuit dated and entered September 17, 1984. The jurisdiction of this Court is invoked under 28 U.S.C. §§1254(1) and 2101(c).

CONSTITUTIONAL AND STATUTORY PROVISIONS AND REGULATIONS INVOLVED

FIFTH AMENDMENT, CONSTITUTION OF THE UNITED STATES:

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the militia,

when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use; without just compensation.

35 U.S.C. §282.

> A patent shall be presumed valid...The burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.

STATEMENT OF CASE

This Petition has its genesis in a civil action for infringement of U.S. Patent No. 3,171,729 issued to W. Andersen (hereinafter the "Andersen Patent"). This action was brought by Virginia Kremm, predecessor in interest to Appellant, Estate of Virginia Kremm (hereinafter "KREMM"), against Thatcher Glass Manufacturing Company (hereinafter "Thatcher Glass"). The action remains pending in the Northern District of Illinois, Eastern Division as Civil Action No. 79 C 1313.

In litigation, Thatcher Glass contested the validity of the Andersen Patent and after significant discovery had been taken, filed a Detailed Request for Reexamination with the Patent and Trademark

Office under the newly created Reexamination procedure. 35 U.S.C. §§301-307. Thatcher Glass contended that a substantial new question of patentability affecting all claims of the Andersen Patent was raised by a lengthy and highly complex U.S. Patent No. 2,811,814 to Winder (hereinafter the "Winder Patent"), British Patent No. 635,097 and a printed publication entitled Hartford-Empire Factory Chart. In an Order mailed October 7, 1981, the Commissioner of Patents and Trademarks (hereinafter "Commissioner") granted Thatcher Glass' request for reexamination finding that the Winder Patent raised a substantial new question of patentability as to all claims of Andersen. The Commissioner declined to consider British Patent No. 635,097 contending its disclosure was identical to the Winder Patent and further found that the Hartford-

Empire Factory Chart was cumulative of the Winder Patent and declined to consider this reference as well. Though Thatcher Glass contended the Winder Patent anticipated under 35 U.S.C. §102(a) all claims of the Andersen Patent, the Commissioner granted reexamination only on the basis of the purported obviousness of the Andersen Patent claims Under 35 U.S.C. §103, the Commissioner contended that portions of the Winder Patent describing the broad process had to be read with the objects of the Winder Patent as well as the detailed description of the Winder machine operation. Hence, the Winder Patent stood as the sole obviousness reference in reexamination to be considered under 35 U.S.C. §103 as interpreted by this Court in Graham v. John Deere, 383 U.S. 1 (1966). No other evidence was considered,

particularly evidence of commercial success.

The reexamination of the Andersen Patent proceeded according to the statutory scheme and the Patent and Trademark Office's regulations. 37 C.F.R. §§1.501-1.570. During reexamination, KREMM contended that certain ambiguities and conflicts existed in the Winder Patent between the ninety-three figures comprising the patent drawings and the fifteen pages of written technical description and patent claims. As a result of such ambiguities, KREMM asserted that the Winder Patent did not clearly and convincingly make obvious the claims of the Andersen Patent. The Commissioner disagreed and found unpatentable all claims of the Andersen patent essentially adopting the arguments from Thatcher Glass' Detailed Request for Reexamination.

KREMM appealed to the Patent and Trademark Office's Board of Appeals. The Board affirmed the Commissioner's rejection of the Andersen patent expressly stating that it was adopting the positions of both Thatcher Glass and the Commissioner as to their interpretation of the Winder Patent. Nowhere in its decision did the Board acknowledge the statutory presumption of validity nor did it expressly find that the Winder Patent clearly and convincingly established the invalidity of the Andersen Patent. In fact, the Board on several occasions erroneously referred to the Andersen Patent as a "patent application" and KREMM as the "patent applicant".

KREMM appealed the Board's decision to the United States Court of Appeals for the Federal Circuit under the appellate jurisdiction conferred on that

court by 35 U.S.C. §306 and 35 U.S.C. §§141-145. In a September 17, 1984 per curiam decision, the Federal Circuit affirmed the decision of the Board of Appeals. The Federal Circuit confirmed the interpretation of both the Commissioner and the Board of the Winder Patent in affirming the invalidity of the Andersen Patent. With respect to application of the statutory presumption of validity, the Court did not expressly state that the presumption applied, but instead noted that the Patent and Trademark Office solicitor did not dispute the presumed validity of the Andersen Patent.

Before the Federal Circuit, KREMM argued that the Andersen Patent was statutorily presumed valid thereby requiring clear and convincing evidence to overcome the presumption irrespective of the

forum or tribunal in which the validity challenge was being conducted. KREMM urged that the reexamination procedure was being used by Thatcher Glass to obtain an invalidity ruling from the Patent and Trademark Office on a lesser standard of proof than required in a litigation validity challenge. In response the Court stated:

> "While we agree with appellant that reexamination should not be allowed to be used as a tool to circumvent the burden of proof placed upon an alleged infringer during litigation, we see no danger in this case of that having happened."

REASONS FOR GRANTING THE WRIT

KREMM's Statutory Property Rights In the Andersen Patent Were Taken Without Due Process Of Law By Thatcher Glass Obtaining An Invalidity Ruling From The Patent Office Upon A Lesser Standard Of Proof Than Required in Federal Court

Under the patent laws, a patent owner is given the right to exclude others from making, using or selling a patented

invention, throughout the United States, for a seventeen year term. 35 U.S.C. §154. This statutory exclusion is granted to the patentee, his heirs or assigns as a right and not a matter of grace or favor. James v. Campbell, 104 U.S. 356, 358 (1881). The patent right of exclusion is a property right, Consolidated Fruit-Jar Co. v. Wright, 94 U.S. 92, 96 (1876) having the attributes of personal property, 35 U.S.C. §261, which the patentee cannot be deprived of without due process of law. Johnson & Johnson v. Wallace A. Erickson & Co., 627 F.2d 57, 59 (7th Cir. 1980).

By statute, the patent right of exclusion is presumed valid with the burden of establishing invalidity of a patent resting on the party asserting invalidity. 35 U.S.C. §282. To overcome the presumption of validity, the challenging party must

produce clear and convincing evidence of invalidity. Radio Corp. v. Radio Engineering Laboratory, 293 U.S. 1, 7-8 (1934). The standard of proof remains constant and never changes throughout the validity challenge. American Hoist & Derrick v. Sowa & Sons, Inc. 725 F.2d 1350 (Fed. Cir. 1984).

Prior to enactment of the reexamination statutes, (35 U.S.C. §§301-307) and excepting narrow limitations, the Commissioner lost jurisdiction over an issued patent leaving only the Federal Courts to cancel or invalidate an issued patent. 28 U.S.C. §1338; McCormick Harvesting Machine Co. v. C. Aultman & Co., 169 U.S. 606, 609 (1898). After enactment of the reexamination statutes, the Commissioner was provided with jurisdiction to cancel, confirm or incorporate any

original, new or amended claim in any issued patent. 35 U.S.C. §307. However, the manner in which the Commissioner may obtain jurisdiction under reexamination and did obtain jurisdiction in this case, is distinctly different from the manner in which jurisdiction is obtained in all prior Patent and Trademark Office proceedings.

In the original examination of a patent, the Commissioner becomes vested with jurisdiction by the voluntary filing of a patent application. 35 U.S.C. §131. Likewise, in a reissue proceeding[1] an application is also voluntarily filed along with a proffer or surrender of the original issued patent. 35 U.S.C. §251. Only the applicant by the filing of an original or

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1. A reissue proceeding is another procedure for correcting defective patents. 35 USC §§251,252; 37 CFR §§1.171-179.

reissue application could vest the Commissioner with jurisdiction.[2]

However, in a reexamination proceeding, no application is filed nor is the issued patent proffered. Rather, the Commissioner obtains jurisdiction by determining upon a detailed written request filed by the patentee or a third party or upon determination of the Commissioner, sua sponte whether a substantial new question of patentability affecting any patent claim is raised. Unlike original or reissue application proceedings, reexamination can be involuntarily forced upon a patent owner. As a result of this jurisdiction difference, Congress clearly intended that

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2. In Johnson & Johnson v. Erickson, the Seventh Circuit in dicta observed that a court order compelling a patentee to take his patent back for reissue may be deprivation of his due process rights. 627 F.2d at 60.

reexamination be considered a different procedure from original or reissue examinations.

In the examination of an original or reissue application, the Commissioner need only establish the unpatentability of the original or reissue patent claims by establishing a prima facie case of unpatentability. See, e.g. In re Piasecki, 745 F.2d 1468 (Fed. Cir. 1984). In the Manual of Patent Examining Procedure ("MPEP"), which guides the patent examiner's activities within the Patent Office, the Commissioner has determined that a prima facie case of unpatentability is established by a "preponderance of the evidence test." MPEP §2124 [citing Dickstein v. Seventy Corp., 522 F.2d 1294 (6th Cir. 1975) and Bergstrom v. Sears Roebuck & Company, 457 F.Supp. 213 (D. Minn. 1978]. Likewise, the

claims of a reissue patent application for the purposes of patentability are interpreted in the same manner as if the claims were original patent application claims. See, In re Reuter, 651 F.2d 751 (C.C.P.A. 1981). Given the clear differences between the unvoluntary reexamination of vest patent rights and voluntary original and reissue examinations to obtain patent rights, an important question of federal law is raised. Whether the statutory presumption of validity applies to an issued patent undergoing involuntary reexamination, thereby requiring proof of invalidity by a clear and convincing evidence standard rather than a preponderance of evidence (prima facie case) standard applicable in original and reissue application proceedings. By applying a preponderance of evidence standards to

reexamination a patent owner is being relegated to the same position as an original or reissue applicant, contrary to the statutory scheme and in deprivation of the patent owner's due process rights.

On these important questions of federal law, the recent decisions of the Federal Circuit Court of Appeals have been in apparent conflict. The decision below does nothing to remedy this conflict but has merely added to the confusion over the administration of the reexamination procedure. Moreover, the decision below highlights the constitutional defects in the reexamination statutes, since it encourages use of reexamination by an alleged infringer to invalidate a patent by avoiding the standard of proof in Federal Court, particularly where, as here, the evidence

of invalidity in question would fail to meet the Federal Court evidence standard.

The Federal Circuit Court of Appeals has explained one purpose of reexamination:

> "The present stay [of litigation] has thus not terminated the action but has merely shifted to the PTO an issue (patent claim validity) involved in dispute before the District Court. One purpose of the reexamination procedure is to eliminate trial of that issue (when the claim is cancelled)...." Gould v. Control Laser Corp., 705 F.2d 1340, 217 U.S.P.Q. 895 (Fed. Cir. 1983).

From this, it appears that the Federal Circuit interprets the reexamination procedure to be conducted applying the same burden of proof and evidentiary presumption applicable in Federal Court, particularly where, as in the present case, all claims of an issued patent, having undergone reexamination have been cancelled. However,

more than one year after Gould v. Control Laser Corp., the Federal Circuit Court of Appeals in In re Yamamoto held that the claims of an issued patent undergoing reexamination should be interpreted for purposes of validity in the same manner as original or reissue patent application claims and not in the manner in which patent claims are interpreted during the course of a litigated validity contest. 740 F.2d 1569 (Fed. Cir. 1984). From Yamamoto, it now appears that the Federal Circuit agrees with the Commissioner that the reexamination procedure should be conducted in the same manner as original and reissue patent applications. In the decision below, the Federal Circuit Court of Appeals did not require that the Winder Patent meet the clear and convincing evidence standard nor did the court state that the presumption of validity

applied to the Andersen Patent. Hence, by the decisions of the Federal Circuit, and the policy positions of the Patent and Trademark Office, one standard of proof applies to invalidate an issued patent in Federal Court and another standard of proof apparently applies to invalidate any issued patent in the Patent and Trademark Office. By failing to require that the Winder Patent meet the same standard of clear and convincing evidence of invalidity as would be required in Federal Court, KREMM contends that its patent property rights through reexamination have been taken without due process of law.

The concept of "standard of proof", as derived from the Due Process Clause of the Fifth Amendment, has the purpose of instructing "the fact finder concerning the degree of confidence our

society thinks he should have in the correctness of factual conclusions for a particular type of adjudication." In re Winship, 397 U.S. 358, 370 (1970). As noted by Judge Nies of the Federal Circuit Court of Appeals, a standard of proof serves to indicate the relative importance attached to the ultimate factual decisions. SSIH Equipment S.A. v. U.S. Int'l Trade Commissions, 673 F.2d 1387 (C.C.P.A. 1982). Under the reexamination procedure, Congress has authorized any third party, even one presently engaged in litigation with the patent owner, to cause a patent to be taken back to the Patent and Trademark Office in order to determine the important issue of patent validity. Unless the Patent and Trademark Office is required to apply the presumption of validity to the patent, thereby requiring clear and convincing

evidence of patent invalidity to overcome it, an alleged infringer, such as Thatcher Glass, can successfully circumvent the standard of proof and the presumptionn of validity which applies in Federal Court by obtaining, under a lesser standard of proof, an invalidity ruling from the Patent and Trademark Office.

However, nothing in Patent Office policy or procedure has indicated that enforceable, issued patents undergoing reexamination will be presumed valid and that evidence of invalidity must be clear and convincing. Hence, despite the Federal Circuit's belief that the burden of proving patent invalidity was not being circumvented in the present case, it is undeniable that Thatcher Glass has obtained an invalidity ruling from an Executive Branch Agency under a lesser standard of proof than would apply

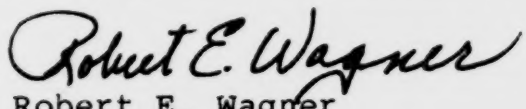
in an Article III tribunal. Apart from the equal protection issue which is also raised, it is clear that KREMM is being deprived of its due process rights in its patent as a result of reexamination, since if Thatcher Glass were required to attack the validity of the Andersen Patent in Federal Court it would be required to meet a higher standard of proof. It is KREMM's belief that had the standard of clear and convincing evidence been properly applied by the Patent and Trademark Office, the Winder Patent could not have met this standard and the Andersen Patent would have been found valid as issued.

CONCLUSION

In short, serious questions are raised by the decision below as to the constitutional soundness of the reexamination procedure as presently administered by the Patent and Trademark Office. The Federal Circuit has provided no guidance as to the presumption of validity and standard of proof applicable to reexamination. As a result, a patent owner's patent rights may be effectively taken under a lesser standard of proof during reexamination than the standard which has historically applied in the federal courts. Because result of these important issues regarding recently enacted federal law, the

petition for writ of certiorari should be granted.

Respectfully submitted,



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UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

IN RE THE SUCCESSOR IN INTEREST TO WALTER ANDERSEN	)	Appeal No. 83-1024

DECIDED: September 17, 1984

Before SMITH and NIES, Circuit Judges, and WISDOM*, Senior Circuit Judge.

PER CURIAM.

This appeal arises from a decision of the United States Patent and Trademark Office (PTO) Board of Appeals (Board). Acting in the context of a reexamination proceeding conducted under 35 U.S.C. §§ 301-307 (1982), an examiner from the PTO rejected all claims of a patent owned by the appellant

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* The Honorable John Minor Wisdom, Senior Circuit Judge, United States Court of Appeals for the Fifth Circuit, sitting by designation.

(Andersen patent).[1] The basis for this ruling was that the claimed invention would have been obvious in view of a previous patent, known as the Winder patent.[2] See generally 35 U.S.C. § 103. The Board affirmed the examiner's ruling, and this appeal ensued. We affirm.

The Andersen patent concerns an improved method for manufacturing parisons -- partially shaped or molded glass bottles. The general method for manufacturing parisons starts with a mass of molten glass known as a "gob". The gob is dropped into a mold form and is forced to the bottom of the mold, which corresponds to the neck of the bottle. A plunger sweeps upward from below the bottom of the mold and thrusts

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1/ U.S. Patent No. 3,171,729, issued Mar. 2, 1965.
2/ U.S. Patent No. 2,811,814, issued Nov. 5, 1957.

itself into the gob residing at the bottom of the mold. The plunger retracts and, in what is known as the counterblow step, air is blown into the orifice the plunger has created. This rush of air causes the gob to assume the shape of the mold.

Under the prior art, parison-manufacturing machines combined the force of gravity with air pressure exerted from the top of the mold to push down the gob to the bottom of the mold.[3/] The Andersen patent describes a method by which a vacuum drawn from the bottom of the mold pulls the gob to the bottom. The vacuum causes the hottest, most fluid portion of the gob to be pulled into the neck ring of the mold and consequently produces a more even

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3/ The technical, scientific name for this method is the "blow and blow" method.

distribution of glass around the mold. The method also enables the machine to operate more quickly.

Appellant, the estate of Virginia Kremm, owns the Andersen patent. In April, 1979, Virginia Kremm brought suit against the Thatcher Glass Manufacturing Co., alleging that the defendant was infringing the Andersen patent. That suit is still pending before the United States District Court for the Northern District of Illinois. 4/ At some point during the course of that litigation, the defendant submitted to the Patent and Trademark Office a request for reexamination of the Andersen patent. The PTO granted the request and, on reexamination, an examiner found Andersen

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4/ Kremm v. Thatcher Glass Mfg. Co., No. 79C-1313 (N.D. Ill. filed Apr. 3, 1979).

obvious in view of Winder. The examiner rejected all four claims of the Andersen patent. After hearing oral argument on the issue, the PTO Board of Appeals affirmed the examiner's decision. This appeal followed.

II.

The Appellant attacks the decision of the Patent Office on several fronts. The appellant contends that the Board erred (1) in rejecting all four claims of Andersen based on an analysis of only the first claim, (2) in refusing to apply the "rule of doubt" to uphold the patentability of Andersen, and (3) in affirming the examiner's holding that Andersen would have been obvious in view of Winder. We reject each of these contentions.

First, there is no merit to the appellant's argument that the Board

summarily rejected Andersen's four claims based on a cursory review of Claim 1. The Board's opinion shows that the Board considered all four claims of Andersen; the opinion reproduced Claim 1 for illustrative purposes only. The failure of the opinion to reproduce the other claims or to discuss the claims separately does not undermine the Board's assertion that it reviewed all four claims.

Second, appellant argues that all doubts with respect to patentability of its claims must be resolved in its favor under either (1) a purported judicially recognized "rule of doubt" or (2) as part of the statutory presumption of validity. 35 U.S.C. § 282.

Contrary to appellant's view, the premise that doubts as to patentability should be resolved in favor of a patent

applicant is now defunct. See In re Nabor, 503 F.2d 1059, 1059-1060; 183 USPQ 245, 246 (CCPA 1974). While the solicitor does not dispute that the patent claims in issue enjoy the statutory presumption of validity, we agree with the solicitor that the presumption does not embrace the rule of doubt. Indeed, if patents were issued based on resolving doubts in an applicant's favor, the presumption of validity would lose its legitimacy.

The operation of the presumption of validity has been analyzed in numerous opinions of this court wherein we have held that, in the face of a challenge to validity based on prior art not previously considered by the PTO, the presumption remains but may

be more easily overcome.[5/] While we agree with appellant that reexamination should not be allowed to be used as a tool to circumvent the burden of proof placed on an alleged infringer during litigation, we see no danger in this case of that having happened. The rejection is based on art not previously considered by the office which, as indicated, may make the presumption easier to overcome.

With respect to the Board's conclusion of obviousness, we must review

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5/ American Hoist & Derrick Co. v. Sowa & Sons, 725 F.2d 1350, 220 USPQ 763 (Fed. Cir. 1984); Medtronic, Inc. v. Cardiac Pacemakers, Inc., 721 F.2d 1563, 220 USPQ 97 (Fed. Cir. 1983); Hughes Aircraft Company v. United States, 717 F.2d 1351, 219 USPQ 473 (Fed. Cir. 1983); Stratoflex, Inc. v. Aeroquip Corp., 713 F.2d 1530, 218 USPQ 185 (Fed. Cir. 1983); and SSIH Equipment S.A. v. United States International Trade Commission, 718 F.2d 365, 218 USPQ 678 (Fed. Cir. 1983).

that conclusion in the context of a reexamination proceeding, as we do in all other types of appeals, for correctness or error as a matter of law. Any underlying fact findings made by the Board are reviewed under the clearly erroneous standard. See generally, In re de Blauwe, 736 F.2d 699, 703, 222 USPQ 191, 195 (Fed. Cir. 1984).

Reaching the merits, we agree with the Board's affirmance under 35 U.S.C. § 103.6/ The appellant argues that there is

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6/ 35 U.S.C. § 103 provides:

> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

one "critical" distinction between the Andersen method and the teachings of Winder: According to the appellant, Winder describes a process in which the plunger is already at the up position when the gob slides into the mold and the vacuum is activiated; under Andersen, the plunger is in the down position when the gob slides into the mold and the vacuum is applied. The appellant argues that Andersen's timing sequence allows ambient air to flow around and to cool the plunger, producing higher-quality parisons at faster rates than is possible under Winder.

The PTO examiner and the Board of Appeals interpreted Winder differently. They found that what occurs under Winder is that, as the gob is fed into the mold, the plunger begins its upward movement and at the same time the vacuum is turned on. The

detailed specification[7] and mechanical drawings[8] of the Winder patent support the Board's interpretation. The Board correctly concluded that the "critical" distinction asserted by the appellant is really no distinction at all, but is disclosed in Winder.

The only support for the appellant's position is found in one of the drawings in Winder.[9] The appellant argues that a certain label on the drawing belies the Board's interpretation of Winder's timing sequence or, at least, renders Winder ambiguous as to its timing. We reject this argument. The referenced drawing is merely a simplified schematic intended to provide a summary overview of Winder's timing

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7/ See U.S. Patent No. 2,811,814 (Winder), cols. 34, 39-40, 50-51.
8/ Id. Figures 33, 41.
9/ Id. Figure 93.

sequence. The timing ambiguity in this simplified drawing does not outweigh the consistent and unambiguous detailed teachings of the specification and mechanical drawings of the Winder patent. See In re Chitayat, 408 F.2d 475, 478, 161 USPQ 224, 226 (CCPA 1969) "[p]atent drawings are not working drawings", quoting In re Wilson, 312 F.2d 449, 454, 136 USPQ 188, 192 (CCPA 1963). We affirm the holding of the Board that Andersen would have been obvious in view of Winder.

III.

The Board of Appeals correctly found that Andersen would have been obvious in view of Winder. The Board did not err

by refusing to apply any "rule of doubt" in favor of Andersen. We, therefore, affirm the decision of the Board of Appeals.

AFFIRMED

Art Unit 173 Paper No. 24

Appeal No. 521-54

HEARD:
November 16, 1982

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF APPEALS

Ex parte Owner of Patent No. 3,171,729

Application filed July 29, 1981, Serial No. 000,038, for the Reexamination of Patent No. 3,171,729, issued March 2, 1965, based on Serial No. 127,203, filed July 27, 1961. Method of Making a Parison.

Robert E. Wagner for appellant.

Anthony B. Askew for Thatcher Glass Manufacturing Company, requester.

Primary Examiner - Richard V. Fisher.

Before Milestone and Blech, Examiners-in-Chief, and Rzucidlo, Acting Examiner-in-Chief.

Rzucidlo, Acting Examiner-in-Chief.

This is an appeal from the final rejection of claims 1 through 4, which are all of the claims presented in the application.

Claim 1 is illustrative and reads as follows:

1. The method of making a bottle parison which comprises the steps of opening the neck orifice of a parison mold, sucking air through the other end of said mold by a vacuum drawn through the opened neck orifice of the mold, introducing a charge of glass through the other end of the mold, seating a closure member in the neck orifice of the mold as the glass charge reaches the neck orifice, closing the other end of said mold, and immediately after the glass fills the portion of said mold adjacent said neck orifice, withdrawing the closure member from the neck orifice and counter-blowing the parison therethrough.

The following reference is relied upon by the examiner:

Winder	2,811,814	Nov. 5, 1957

Claims 1 through 4 have been finally rejected undeer 35 USC 103 as being unpatentable over Winder.

We have carefully considered appellant's arguments as presented in the briefs and at the oral hearing, as well as all of the evidence in the record before us, but we conclude that the examiner's decision as to the patentability of the subject matter recited in the claims on appeal should be sustained.

The instant application is an application for reexamination filed under the provisions of 35 USC 302 through 307 and 37 CFR 1.510. An order for reexamination was granted upon the request of the attorneys for Thatcher Glass. It was requester's position that the particular feature which was argued to be the patentable distinction between the Andersen invention and the prior

art was known as disclosed in the Winder patent. Specifically, patent applicant Andersen argued that

> "The . . . claims rely for their novelty upon the fact that the plunger is in the down position when the gob is dropped into the top of the bottom end of the mold."

Patent applicant concluded that his claims should be allowed in that, in all of the references cited by the examiner, the plunger is seated in the neck orifice when the gob enters the mold. Requester asserts that the Winder patent discloses the operation of a bottle forming machine in essentially the same manner as recited in the Andersen patent claims. The examiner, in making his rejection, has adopted requester's position. We conclude that both requester's and the examiner's positions are correct as to their interpretation of the

Winder reference in regard to the position of the plunger.

The critical step here in question of the instant process is described in the patent application, at column 6, lines 25 through 33, as follows:

> "Applicant's first set is to maintain the plunger 72 in retracted position at the time that the cutoff knives 36 and 38 sever the gob 40 at the outlet of the feeder, and simultaneously drawing a comparatively low vacuum along the arrow 84 so that there is a rush of ambient air along the line of the arrow 86 through the cavity of the parison mold . . . The plunger 72 moves upwardly, but does not seat until the gob reaches the ring neck mold."

At columns 2 and 3, connecting paragraph, the movement of the plunger is described in the same manner.

The same step is recited in the Winder patent at column 34, lines 55 through 64, as follows:

> "After a charge is introduced into a blank mold . . . the plunger is brought up and the vacuum is on at the time the charge is received . . . the elevation of the plunger is accurately timed with the descent of the gob into the bottom of the mold . . . The plunger is normally almost seated in the neck rings when the gob strikes it. . . ."

At columns 39, 40, 50 and 51, Winder again describes the plunger movement in the same manner indicating a timed movement so that the plunger begins moving up as the vacuum is turned on and seating of the plunger does not occur until after the gob is fully in place and the vacuum is turned off. As for Figure 93, it appears to us that the discussion at columns 39 and 40 of the Winder patent makes it clear that what actually occurs is that, as the gob is fed into the closed mold, the plunger begins its upward movement and at the same time the vacuum is

turned on. In this sense, there does not appear to be any inconsistency between the figure and the written description of the invention.

It is our opinion that the critical step in question herein is disclosed in Winder and, in that sense, the subject matter of the instant claims would have been obvious in view of this disclosure. We do not agree with appellant that patentability herein is in doubt nor is there any rule which requires doubts as to patentability to be resolved in favor of the applicant. See In re Mixon, 59 CCPA 1396, 460 F.2d 1374, 176 USPQ 296 (1973); In re Naber, 503 F.2d 1059, 183 USPQ 245 (CCPA 1974).

The decision of the examiner is affirmed.

AFFIRMED

/s/
Examiner-in-Chief)
)
)
)
/s/) BOARD
Examiner-in-Chief) OF
) APPEALS
)
)
/s/)
Examiner-in-Chief)
(Acting)

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that three copies of the foregoing **PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT** were served on:

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and

Jere W. Sears
Deputy Solicitor
UNITED STATES PATENT AND
TRADEMARK OFFICE
Washington, D.C. 20231

This 17th day of
December, 1984.

Robert E. Wagner

Robert E. Wagner

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 17th DAY
OF December, 1984.

Demetria A Kellogg

Notary Public
[SEAL]

My Commission Expires Oct. 24, 1988

FILED
FEB 14 1985
ALEXANDER L. STEVAS,
CLERK

No. 84-1151

IN THE

SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1984

ESTATE OF VIRGINIA KREMM,
Petitioner,

v.

COMMISSIONER OF PATENTS AND TRADEMARKS,
Respondent.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF AMICUS CURIAE THATCHER GLASS MANUFACTURING COMPANY IN SUPPORT OF RESPONDENT, COMMISSIONER OF PATENTS AND TRADEMARKS

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SUPREME COURT OF THE UNITED STATES

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THE INTEREST OF AMICUS CURIAE THATCHER GLASS MANUFACTURING COMPANY

Thatcher Glass Manufacturing Company (hereinafter "Thatcher") submits this brief Amicus Curiae (with the consent of the parties) in support of the Respondent, the Commissioner of Patents and Trademarks (hereinafter "Commissioner"). For the reasons set forth below, Thatcher urges that the decision of the Court of Appeals for the Federal Circuit (hereinafter "Federal Circuit") be sustained and the petition for writ of certiorari submitted by the es-

tate of Virginia Kremm (hereinafter "Kremm") should be denied.

As correctly stated by Kremm in that portion of its brief entitled "Statement of Case", the origins of this matter are in a civil action brought in the United States District Court for the Northern District of Illinois by Virginia Kremm against Thatcher for infringement of U.S. Patent No. 3,171,729 to Andersen (hereinafter the "Andersen patent"). The Petitioner, Kremm, is the owner of the Andersen patent. Thatcher challenged the validity of the Andersen patent by filing a Request for Reexamination in view of U.S. Patent No. 2,811,814 to Winder (hereinafter "Winder"). The District Court stayed that action pending the outcome of the reexamination proceeding. Pursuant to 35 U.S.C. §303(a), the Commissioner granted Thatcher's request for reexamination, finding that a "substantial new question of patentability" existed as to all claims of the Andersen patent. Thatcher is, therefore, the Requester in the reexamination of the Andersen patent, which forms the basis of Kremm's petition for certiorari.

In the first stage of the reexamination proceeding, the Commissioner found all claims of the Andersen patent to be unpatentable in view of the Winder patent. Kremm appealed the Commissioner's rejection of the Andersen patent to the Board of Appeals of the U.S. Patent and Trademark Office (hereinafter "Board of Appeals"). Thatcher attempted to file a brief before the Board of Appeals. That brief was refused by the Board of Appeals and returned to Thatcher without being accepted for placement in the reexamination file. The Board of Appeals affirmed the Commissioner's rejection of the Andersen patent in view of Winder.

Kremm appealed the Board of Appeals' decision to the Federal Circuit. In the Federal Circuit, Kremm argued, in part, that all doubts with respect to patentability of its claims must be resolved in its favor under either (1) a purported judicially recognized "rule of doubt" or (2) as a part

of the statutory presumption of validity under 35 U.S.C. §282. Thatcher attempted to file an *amicus* brief in response to Kremm's arguments. Because of Kremm's objection to Thatcher's filing of an *amicus* brief, it was refused consideration by the Federal Circuit. The Federal Circuit affirmed the decision of the Board of Appeals.

Thus, prosecution of the reexamination proceeding has been completely *ex parte*. Although Kremm complains in its petition for certiorari that the Patent and Trademark Office and the Board of Appeals have adopted Thatcher's position, Thatcher has filed but a single document—its initial request for reexamination of the Andersen patent. Nevertheless, Thatcher concurs completely with the reasoning and conclusions of the Commissioner, the Board of Appeals and the Federal Circuit.

SUMMARY OF THE ARGUMENT

For the following reasons, Thatcher submits that Kremm's petition for certiorari should be denied:

1. For the first time, Kremm has raised the issue of whether its patent property rights have been taken without due process of law. Because this issue was not presented for decision by either the Federal Circuit or the Board of Appeals, Kremm is estopped from raising its "due process" argument in this Court.

2. Although Kremm asserts that a conflict exists between the decisions of the Federal Circuit as to the evidentiary standard to be applied, no such conflict exists. The Federal Circuit has acted according to its legislative purpose in resolving different issues relating to the statutory presumption of validity, claim interpretation in a reexamination proceeding, and use of discretionary power by the District Courts in relation to the reexamination proceeding.

3. The Federal Circuit has clearly indicated that, regardless of the evidentiary standard applied, the claims of the Andersen patent are unpatentable in view of the

Winder patent. Therefore, in order for Kremm to prevail, this Court must conduct a *de novo* review of the patentability of Andersen. Kremm is not entitled to such a *de novo* review and conducting such a *de novo* review is not the function of this Court.

4. The record in this case conclusively demonstrates that if the Winder patent had been considered by the Patent Office when examining the original Andersen application, the Andersen patent would never have issued. Kremm should not be allowed to obtain through reexamination a valid patent that would have never issued but for the failure of the Patent Office to consider an invalidating reference.

ARGUMENT

I. REASONS FOR DENYING THE PETITION

A. *KREMM FAILED TO RAISE THE "DUE PROCESS" ISSUE BEFORE EITHER THE BOARD OF APPEALS OR THE COURT OF APPEALS FOR THE FEDERAL CIRCUIT.*

For the first time, Kremm asserts in its petition for certiorari that its patent rights have been taken without due process of law. Since this issue was not presented to either the Board of Appeals or the Federal Circuit, Kremm attempts to bootstrap the issue into its petition by reference to the argument made before the Federal Circuit concerning the appropriate standard of proof.

In particular, Kremm states in its Petition:

> By failing to require that the Winder Patent meet the same standard of clear and convincing evidence of invalidity as would be required in Federal Court, Kremm contends that its patent property rights through reexamination have been taken without due process of law. (Petition, page 12.)

The Petitioner is not entitled to review of an issue not presented for decision to the Federal Circuit. Before the Federal Circuit, Kremm argued *only* that the Board of Appeals erred in refusing to resolve all doubts with respect to the patentability of the claims of the Andersen patent under either (1) the "rule of doubt" or (2) as part of the statutory presumption of validity under 35 U.S.C. §282. Kremm never argued that its patent rights were taken without due process of law under the Fifth Amendment, Eleventh Amendment or otherwise; nor did the Federal Circuit ever rule on such an issue. Instead, the Federal Circuit held that, contrary to Kremm's assertions otherwise, the premise that doubts as to patentability should be resolved in favor of a patent applicant is now defunct. As to Kremm's presumption of validity argument, the Federal Circuit unequivocally stated:

> The operation of the presumption of validity has been analyzed in numerous opinions of this court wherein we have held that, in the face of a challenge to validity based on prior art not previously considered by the PTO, the presumption remains but may be more easily overcome. While we agree with appellant [Kremm] that reexamination should not be allowed to be used as a tool to circumvent the burden of proof placed on an alleged infringer during litigation, we see no danger in this case of that having happened. The rejection is based on art not previously considered by the office [the Winder patent] which, as indicated, may make the presumption easier to overcome.

The constitutional purpose of this Court is to review and correct errors of law made by a lower tribunal in either its interpretation or application thereof. Because the Federal Circuit was never presented with Kremm's due process issue, it committed no error in failing to pass on it and Kremm has effectively waived its right to any review of that issue.

B. *KREMM IS NOT ENTITLED TO A DE NOVO REVIEW OF THE PRIOR ART SUBMITTED IN THE REQUEST FOR REEXAMINATION.*

In its petition, Kremm notes that in the examination of an original or a reissue application, the Commissioner need only establish the unpatentability of the claims by a "preponderance of the evidence". Kremm further notes that, under 35 U.S.C. §282, an issued patent is presumed valid and, to overcome this presumption of validity, the challenging party must produce "clear and convincing evidence" thereof. Kremm then asserts that the failure to impart the presumption of validity to a patent involved in reexamination denies the patentee the benefit of the clear and convincing evidence test and that this is contrary to the statute. In particular, Kremm raises the following question:

> Whether the statutory presumption of validity applies to an issued patent undergoing involuntary reexamination, thereby requiring proof of invalidity by a clear and convincing evidence standard rather than a preponderance of the evidence (*prima facie* case) standard applicable in original and reissue application proceedings. (Petition, page 10.)

Kremm, of course, answers this question in the affirmative, asserting that it was denied the benefit of the more stringent clear and convincing standard. In addition, Kremm asserts that the decisions of the Federal Circuit on this question are in apparent conflict, with the decision in this case only adding to the confusion.

As to the "apparent conflict" between the decisions of the Federal Circuit relating to the operation of the statutory presumption of validity, it is respectfully submitted that no such conflict exists. Kremm cites the case of *Gould v. Control Laser Corp.*, 705 F.2d 1340, 217 U.S.P.Q. 985 (Fed. Cir. 1983) as showing the Federal Circuit handling a reexamination proceeding under the evidentiary standard of a "Federal Court"—presumably the clear and convincing stan-

dard. Kremm then cites the case of *In re Yamamoto*, 740 F.2d 1569, 222 U.S.P.Q. 935 (Fed. Cir. 1984) as showing the Federal Circuit handling a reexamination proceeding under the evidentiary standard of an original or reissue application—the preponderance of the evidence standard.

However, neither of these cases address the question raised by Kremm. *Gould v. Control Laser Corp.*, *supra*, concerned whether the grant of a stay by a District Court enabling the issue of patent validity to be determined through a reexamination proceeding in the Patent Office constituted an abuse of the District Court's discretionary powers. In holding that it did not, the Federal Circuit made no determination of whether the statutory presumption of validity should apply in a reexamination proceeding.

In *In re Yamamoto*, *supra*, the Federal Circuit held that the standard of *claim interpretation* applicable to reissue proceedings is also the correct standard of claim interpretation to be applied in reexamination proceedings. More specifically, *In re Yamamoto* stands for the proposition that because the patentee has the opportunity in the reexamination proceeding to amend his claims as does the patentee in the reissue proceeding, the claims in both proceedings are to be given their broadest reasonable interpretation. It is to be noted that in the present case, Kremm likewise had the opportunity to amend the claims of the Andersen patent.

Kremm's attempt to develop a conflict between these two unrelated decisions of the Federal Circuit is misplaced. The Federal Circuit was "created and chartered with the hope and intent that stability and uniformity would be achieved . . . ." *Smith Corp. v. United States*, 690 F.2d 1368, 1369 (Fed. Cir. 1982). The cases cited by Kremm as demonstrating a conflict are simply two cases concerning two different issues, each of which resolved their respective issue in keeping with the purpose of the Federal Circuit. To juxtapose one holding against the other is to compare apples and oranges. Because neither of the cited cases is concerned with

the issue now raised by Kremm, it can hardly be said that a conflict exists between these decisions of the Federal Circuit. Certainly, there is no conflict sufficient to warrant review thereof by this Court.

As to Kremm's contention that it was denied the benefit of the more stringent evidentiary standard, the Federal Circuit acted directly and correctly. As noted above, the Federal Circuit stated:

> While we agree with appellant that reexamination should not be allowed to be used as a tool to circumvent the burden of proof placed on an alleged infringer during litigation, we see no danger in this case of that having happened.

Clearly, the Federal Circuit was convinced of the invalidity of the Andersen patent *regardless of the evidentiary standard applied.* This being so, in order for Kremm to prevail, this Court must not only determine that, as a matter of law, the Commissioner has applied the "incorrect" evidentiary standard in this reexamination, but it must also determine that the Federal Circuit's decision as to the patentability of the claims of Andersen is clearly erroneous. Such a determination by this Court would necessitate a *de novo* review of the Andersen patent in view of the Winder patent. It is respectfully submitted that this is not the function of this Court.

GRANTING A PATENT TO KREMM WOULD BE CONTRARY TO THE INTENT OF THE PATENT STATUTE.

The concluding sentence of that portion of Kremm's petition entitled "REASONS FOR GRANTING THE WRIT" reads as follows:

> It is KREMM's belief that had the standard of clear and convincing evidence been properly applied by the Patent and Trademark Office, the Winder Patent could not have

> met this standard and the Andersen Patent would have been found valid as issued. (Petition, page 14.)

Thatcher respectfully submits that, assuming this statement were true, it presents an undesirable condition contrary to the intent of the patent laws.

The Winder patent was issued on November 5, 1957. The original patent application which matured into the Andersen patent was filed on July 27, 1961, almost four years after the issuance of the Winder patent. Even so, the Winder patent was not considered by the Patent Office when examining the original Andersen patent application. In this reexamination proceeding, all the claims of the Andersen patent have been declared unpatentable in view of the Winder patent by the Commissioner, the Board of Appeals and the Federal Circuit. Thus, the record of this reexamination proceeding conclusively demonstrates that had the Winder patent been considered by the Examiner when examining the Andersen patent application in 1961, the Andersen patent application would have been rejected under the Patent Office's "preponderance of the evidence standard" as being unpatentable in view of Winder.

However, in this case the Winder patent was brought to the attention of the Patent Office only by means of the reexamination proceeding initiated by Thatcher as a defendant in an infringement action. Kremm, as the plaintiff in this infringement action, now contends that Winder should be held to the higher standard of clear and convincing evidence and that it cannot meet this standard. Yet, to now issue a reexamination certificate confirming the Andersen patent as being valid over Winder because Winder could not allegedly meet the clear and convincing evidence standard would be to do through reexamination what Andersen could not have done at the original application stage. Whereas Andersen could not have overcome Winder at the application stage under the preponderance of the evidence standard, Kremm's argument would grant the Andersen

patent over Winder through reexamination by applying the more stringent clear and convincing evidence standard. Stated differently, although the Andersen patent should have never issued in the first place, the failure of the Patent Office to consider Winder in the original application would not only allow Andersen's patent to issue, but further allow it to be made stronger through reexamination by upholding the Andersen patent in view of a reference it could not have overcome in the original application.

Such a different result is neither explained nor justified by Kremm's assertion that it was "involuntarily" drawn into the reexamination proceeding. As a plaintiff in the Northern District of Illinois alleging infringement of the Andersen patent, Kremm certainly foresaw the possibility that validity of the Andersen patent would be challenged.

Certainly, it is the intent of the Patent Statute to grant valid patents and to reject invalid patents. The record in this case conclusively demonstrates that the Andersen patent would never have issued if the Winder reference had been before the examiner of the original application. To grant a reexamination certificate confirming the Andersen patent would allow Kremm to prevail in the present reexamination and possibly in future litigation on a patent that never should have issued in the first place. This is clearly contrary to the intent of the patent statute.

CONCLUSION

For the foregoing reasons, it is respectfully submitted that Kremm's Petition For Certiorari should be denied.

Respectfully submitted,

JONES & ASKEW

By: _____
ANTHONY B. ASKEW

By: _____
ROBERT E. RICHARDS

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CERTIFICATE OF SERVICE

It is hereby certified that I have this day served copies of the foregoing "BRIEF OF AMICUS CURIAE THATCHER GLASS MANUFACTURING COMPANY IN SUPPORT OF RESPONDENT, COMMISSIONER OF PATENTS AND TRADEMARKS" upon Petitioner and Respondent in this proceeding by causing such copies to be deposited in the United States mail, first class, postage prepaid, addressed as follows:

ROBERT E. WAGNER
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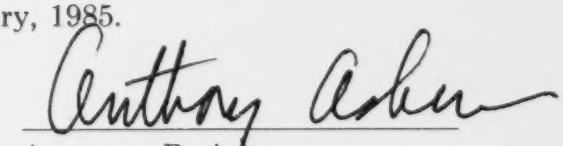
MS. JEAN REECER
The Officer of the Solicitor
General
Department of Justice
Tenth and Constitutional
Avenue
Washington, DC 20530

This 14th day of February, 1985.



ANTHONY B. ASKEW

Office - Supreme Court, U.S.
FILED
MAR 15 1985
ALEXANDER L. STEVAS
CLERK

No. 84-1151

In the Supreme Court of the United States

OCTOBER TERM, 1984

ESTATE OF VIRGINIA KREMM, PETITIONER

v.

COMMISSIONER OF PATENTS AND TRADEMARKS

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

MEMORANDUM FOR THE RESPONDENT IN OPPOSITION

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In the Supreme Court of the United States

OCTOBER TERM, 1984

No. 84-1151

ESTATE OF VIRGINIA KREMM, PETITIONER

v.

COMMISSIONER OF PATENTS AND TRADEMARKS

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

MEMORANDUM FOR THE RESPONDENT IN OPPOSITION

Petitioner claims that the Due Process Clause requires the Patent and Trademark Office (PTO) in patent reexamination proceedings (see 35 U.S.C. 301-307) to find by clear and convincing evidence that a patent is obvious before the PTO may declare the patent invalid.

1. a. Petitioner is the owner of U.S. Patent No. 3,171,729, which was issued in 1965 to Walter Andersen (the Andersen patent) and concerns an improved method of manufacturing "parisons," *i.e.*, partially shaped or molded glass bottles. Pet. App. 2a. In 1979, petitioner filed suit in the United States District Court for the Northern District of Illinois against Thatcher Glass Manufacturing Co., charging Thatcher Glass with infringement of the Andersen patent. Thatcher Glass thereafter filed a request with the PTO

pursuant to 35 U.S.C. 302 for a reexamination of the Andersen patent.[1] 35 U.S.C. 301-307 allows the PTO, either on request or on its own initiative (35 U.S.C. 303(a)), to reexamine an already-issued patent to determine whether the invention should have originally received a patent, if a "substantial new question" is raised as to the invention's patentability (*ibid.*). Thatcher Glass claimed that U.S. Patent No. 2,811,814 issued in 1957 for a similar manufacturing process (the Winder patent) rendered the manufacturing process underlying the Andersen patent "obvious" within the meaning of 35 U.S.C. 103 and therefore unpatentable (Pet. App. 4a). The PTO subsequently found that there was a "substantial new question" whether the Andersen patent was valid and granted Thatcher Glass's request for a reexamination of the Andersen patent (*id.* at 4a-5a). Following the PTO's actions, the district court stayed further proceedings in petitioner's infringement suit pending the outcome of the reexamination procedure and all ensuing appeals.

On reexamination, the PTO Examiner rejected all four claims made by petitioner as to the patentability of the Andersen patent (Pet. App. 5a, 15a). The PTO Board of Appeals affirmed the Examiner's decision (*id.* at 14a-21a).

b. The court of appeals affirmed the ruling of the PTO Board of Appeals (Pet. App. 1a-13a). The court found no merit to petitioner's contention that the Board had rejected all four claims of the patentability of the Andersen patent on the basis of a cursory review of only the first claim (*id.* at 5a-6a). The court of appeals ruled (*id.* at 6a) that the Board had separately considered each of petitioner's claims but had only discussed petitioner's first claim for illustrative purposes.

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[1] 35 U.S.C. 302 provides in part that "[a]ny person at any time may file a request for reexamination by the [PTO] of any claim of a patent on the basis of any prior art * * *."

The court of appeals also rejected (Pet. App. 6a-9a) petitioner's argument that any doubts as to the validity of the Andersen patent should be resolved in favor of upholding the patent. Petitioner claimed that the "rule of doubt" not only had been endorsed by the court but also was required by 35 U.S.C. 282, which provides that a patent is entitled to a presumption of validity. However, the court of appeals held that, whatever status the "rule of doubt" may once have had, the rule "is now defunct" (Pet. App. 7a, citing *In re Naber,* 503 F.2d 1059, 1059-1060 (C.C.P.A. 1974)) and was not required by 35 U.S.C. 282 (Pet. App. 6a-7a).

The court of appeals agreed (Pet. App. 7a-8a) that a patent is entitled to a statutory presumption of validity (see 35 U.S.C. 282) during reexamination proceedings and acknowledged that "reexamination should not be allowed to be used as a tool to circumvent the burden of proof placed on an alleged infringer during litigation" (Pet. App. 8a). But the court found "no danger in this case of that having happened" (*ibid.*) and also stated that, under its prior decisions (*id.* at 7a-8a & n.5), the presumption "may be more easily overcome" during the reexamination process because, during that process, the PTO considers prior art that previously was not brought to the PTO's attention (*id.* at 8a). Finally, the court upheld the Board of Appeals' finding that, given the prior Winder patent, the manufacturing process underlying the Andersen patent was obvious, on the ground that the Board's finding was not clearly erroneous (*id.* at 9a-12a).

2. Petitioner's contention has two aspects. Basically, petitioner maintains that the reexamination process authorized by 35 U.S.C. 301-307 violates due process (a) by failing to accord a patent the statutory presumption of validity applicable in private patent infringement suits (see 35 U.S.C. 282) and (b) by failing to require the PTO to uphold the validity of an already-issued patent unless the

PTO upon reexamination finds by clear and convincing evidence, the standard of proof applicable in private patent infringement suits (see *Radio Corp.* v. *Radio Eng'g Laboratories, Inc.*, 293 U.S. 1, 7-8 (1934)), that the patent was obvious within the meaning of 35 U.S.C. 103. For several reasons, further review of petitioner's claims is unwarranted.

To begin with, petitioner did not assert these claims in the court of appeals and therefore may not raise them here. See, *e.g.*, *United States* v. *Lovasco*, 431 U.S. 783, 788 n.7 (1977); *Adickes* v. *S.H. Kress & Co.*, 398 U.S. 144, 147 n.2 (1970). Moreover, petitioner has failed to demonstrate that the PTO would have found that the Andersen patent was non-obvious under the standard of proof that petitioner claims is appropriate.

In any event, petitioner's claims lack merit. With respect to petitioner's first contention, the court of appeals held (Pet. App. 7a-8a) that a patent is entitled to a presumption of validity by virtue of 35 U.S.C. 282 during reexamination proceedings. The court of appeals thus ruled in petitioner's favor on this point. While the court of appeals also held (Pet. App. 7a-8a) that this presumption may be more easily overcome in an reexamination proceeding than in a private infringement suit, because, during reexamination of an invention, the PTO considers prior art not previously brought to its attention, petitioner has failed to demonstrate that this difference had any effect upon the outcome of this case. In addition, in a decision issued subsequent to its ruling in this case, the en banc Federal Circuit recently held that the 35 U.S.C. 282 presumption of validity does not apply to patent reexamination proceedings. *In re Etter*, No. 84-1213 (Feb. 27, 1985), slip op. 8-9, 13; accord, *Patlex Corp.* v. *Mossinghoff*, No. 84-699 (Fed. Cir. Mar. 7, 1985),

slip op. 24. As the court explained in *Etter* (slip op. 8-9, 13), the presumption of validity established by 35 U.S.C. 282 has no application in a reexamination proceeding because there are no adverse parties in such a proceeding, which is conducted by the PTO on a neutral basis in the same manner that it performs an initial examination of an invention, and because the issue in a reexamination proceeding is whether the patent was properly issued in the first place. Petitioner thus received the benefit of a more favorable rule than would otherwise be the case in patent reexamination proceedings. Further review of petitioner's first claim is therefore unwarranted.

Petitioner's second claim — that due process requires the PTO to find upon reexamination of an already-issued patent that it is obvious by clear and convincing evidence, the standard of proof a plaintiff must bear in a private infringement suit to demonstrate that an invention should not have been patented — is also insubstantial. Congress plainly has the authority to establish rules governing the allocation of the burden of persuasion and standard of proof applicable to cases in the federal courts and before federal agencies. See, *e.g., Vance* v. *Terrazas,* 444 U.S. 252, 265-266 (1980). As the en banc Federal Circuit explained in *Etter* (slip op. 11, 12-13) and as noted above, because a patent holder who is subject to reexamination proceedings is not in the same position as a patent holder who is sued for infringement, there is a rational basis for applying a different standard of proof in reexamination proceedings and in infringement suits. There are also benefits to a patent holder from the reexamination process that offset the absence of the higher burden of proof. A patent owner, like a patent applicant, has the opportunity during the reexamination process to amend his claims or to correct errors in his application, opportunities that are unavailable to a patent holder sued

for infringement (*id.* at 11, 13-14). Accordingly, petitioner was not unfairly deprived of the standard of proof applicable in private patent infringement suits.[2]

It is therefore respectfully submitted that the petition for a writ of certiorari should be denied.

REX E. LEE
Solicitor General

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[2]The court of appeals' en banc decision in *In re Etter, supra,* also makes untenable petitioner's claim (Pet. 17-20) that further review is necessary to resolve a conflict within the Federal Circuit as to the application of the 35 U.S.C. 282 presumption of validity in patent reexamination proceedings.

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